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Copy 5 of 7

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Attached is a listing of certain Minicard equipment and related items. There seems to be general agreement that this listing comprises the equipment required to give a certain minimum but adequate capability, wherever located, and represents the items which should be the subject of contractual negotiations for such a facility. In this listing the P-2 commera is tentatively set aside, subject to further discussions with you as to the necessity for its continued inclusion in the initial procurement.

You will recognize that the items in the attached list are drawn from two previous proposals submitted by you and therefore it is not possible for us to assign an estimated price to certain items since they have been lifted out of the context of such original proposals. Will you therefore assign estimated prices to all the items listed. In addition will you, in the items entitled "Viewer", "Miscellaneous Equipment" and "Systems", give additional detail as to the make-up of such items with respect to specific equipment, material, services, etc., planned to be furnished in connection therewith and types of costs (R&D, prototype, and production, where applicable) involved.

Also, as discussed with Joe, will you indicate your position with respect to rental of some or all of the equipment in the attached list for one year on the basis of installation of the equipment at our place of business with service and maintenance and complete check out to be by your personnel and with provisions for our purchase of such equipment after one year, if the equipment proves suitable, for our requirements and after we are in a better position to know our overall requirements.

I trust that you will be able to assemble all the pertinent information and costs in connection with Minicard by the date of our meeting with you in Rochester on Tuesday, the 22nd, and that either before or efter the film discussion we can resolve the Minicard procurement problem. Should you have a cost proposal ready before that time I would, of course, be happy to receive it by mail for study before our 22nd meeting.

Dick has asked me also to explore with you the capacity and flexibility of the processing facility (aside from Minicard) to produce various quantities of positive transparencies, dup negatives and prints. There is some possiblity that more than the seven copies previously discussed may be required and the question is what protion of your planned facility might be overstrained in the event quantities

greater than previously discussed were required. Would this require additional equipment (standard or special), additional space, or any radical change in plant set up, or other radical changes which must be planned for somsiderably in advance. What effect would it have on shift operations as a whole. Again, will you consider this problem as one which we can discuss in some detail on the again.

Another possibility is that we might be in the position of having to produce sizable numbers of positive and negative transparencies and prints at our installation here, on order, so to speak, of selected pieces rather than to produce them in the larger number at your installation on the entire useable take. In that event we would be in the position of having to have a capability equipment-wise to perform those operations here. I would appreciate your giving some consideration to the problem of what equipment would be needed and the cost of such equipment as the subject of a separate proposal at a later date.

To summarize, therefore, we hope on the 22nd to be able to discuss with you and your staff (and with Din, Jim & Red) the problems facing us with respect to film, (2) to discuss capacity of your processing plant in light of the decision on film and some up-to-date indication from us as to volume and numbers of copies, and (3) to resolve the Minicard problem from a procurement point of view. With respect to M2-1806 I hope we can tis down finally all standard and special processing equipment, installation costs, and the special 70 MM printer.

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Attachment: Attachment A

Distribution:

Orig - Addressee

2 - Master
Service
4 - Chrono
5 - Reading
6 2 extra copies

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ATTACHMENT A COPY 4 -

MINICARD MINIMUM REQUIREMENTS

Item No.	Description	Quantity	Estimated Price
1.	Camera, Graphic Index and Document	1.	\$30,629
2	Cemera, PI 19:1	1	28,178
3	Processor	1	13,477
<u>þ</u>	Cutter	1	3,063
5	Duplicator (sophisticated)	1	149,167
6	Filing Sorter	1	60,032
7	Enlarger, Air Photo	1	18,377
3	Viewer	5	
9	Flexowriters	6	<i>2</i> 2, 053
10	Miscellaneous Equipment		
3.1	Systems		
	Sub-total		
13	Camera, P2 5:1	1	42,880
	Grand total		

Distribution:

Crig - Addressee
2 - Master
3 - Service
4 - Chrono
5 - Reading

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